

Opinion-leading silver surfers in the UK: A personality-based approach to managing negative electronic WOM

1. Introduction

Marketers have long established the influential role of online opinion-leaders ('Epinion-leaders') in communication networks where they act as electronic gatekeeper between corporate publicity and other consumers' product evaluation processes (Hinz, Skiera, Barrot, & Becker, 2011). At its core, an Epinion-leader can thus simply be defined as a consumer who exerts influence on other consumers' decisions by disseminating electronic Word-of-mouth (Clark & Goldsmith, 2005). In relation, e-WOM will be defined as a consumption-related opinion-diffusion process with a crucial focus on Epinion-leaders as the decisive viral-gatekeeper and regardless of whether its dissemination originates in corporate campaigns or consumer experiences. (Kozinets, de Valck, Wojnicki, & Wilner, 2010)

Whereas numerous studies empirically confirm the positive relationship between Epinion-leadership and positive WOM (Ho & Dempsey, 2009), related research on negative WOM has been surprisingly scarce. Essentially, negative e-WOM ('ne-WOM') represents an online complaint message about a product or service without the involvement of corporate representatives. As such, ne-WOM is an indirect, emotionally-driven and problem-focused coping strategy (Wetzer, Zeelenberg, & Pieters, 2007). The necessity to manage ne-WOM is owed to research findings showing that nWOM occurs more frequently than direct complaints (Voorhees, Brady, & Horowitz, 2006), reduces favourable brand attitudes and purchase intentions (Herr, Kardes, & Kim, 1991) and is likely to elicit anti-marketing mass movements (Ward & Ostrom, 2006). Consequently, it will here be investigated whether a synthesis of the two concepts - initially suggested by Leonard-Barton (1985) and labelled 'negative opinion-leaders' - can be empirically verified in an online context.

Important in this regard is the communication shift towards online social networks (e.g. forums, blogs, social networks, etc.) which have increasingly transformed ne-WOM into public statements accessible to anyone online. Thus, negative Epinion-leaders have suddenly become identifiable and consequently influenceable corporate communication target groups.

Since opinion-leaders are more likely to forward e-WOM that is consistent with their character narrative and opinion-giving motivation (Kozinets et al., 2010), tailoring ne-WOM response-campaigns according to personality characteristics appears to be an applicable way of constraining negative publicity. The three central traits chosen for this research - altruism, self-confidence and need for uniqueness - have been well-established in the psychology literature yet largely neglected by opinion-leadership and WOM-scholars.

In addition, this paper investigates the effect of ne-WOM on two communication outcomes: e-complaint propensity and overall satisfaction. In contrast to ne-WOM, an e-complaint is transmitted via an official company communication channel over the Internet and is thereby synonymous to the company's ability to recover a customer without public involvement. Unlike affective neWOM communication, e-complaints are more cognitively-based (Breitsohl, Khammash, & Griffiths, 2010) and henceforth it seems reasonable to investigate whether consumers engage in multiple negative opinion statements and coping strategies in which both ne-WOM and e-complaining serve different (intrapsychic vs. instrumental) purposes (Alicke et al., 1992).

In relation, this study investigates the effect of ne-WOM on overall customer satisfaction which so far has provided ambivalent results in an offline context or majorly focused on ne-

WOM as an outcome of satisfaction (deMatos & Rossi, 2008). Consequently, this research poses three key questions:

- Are Opinion-leaders likely to spread ne-WOM and could hence be targeted in response communication campaigns?
- Are there specific personality characteristics which may predict Opinion-leadership and the propensity to spread ne-WOM?
- Does spreading ne-WOM reduce customers' overall satisfaction and the likelihood to complain directly to the company?

2. Research context

Specifically, this paper investigates the rapidly growing and increasingly influential 50+ e-consumer segment (i.e. 'silver surfers'), which has been largely neglected in the e-WOM-literature as the majority of related empirical research draws on e-consumers aged below 50. Silver surfers are thus defined as midlife adults aged 50 and above who frequently use the Internet for purposes of communication, information retrieval and consumption (Vuori & Holmlund-Rytönen, 2005).

The global phenomenon of an ageing population signifies an increasing number of 50+ consumers with more time and money to spend in comparison to younger target groups and therefore makes this new market segment particularly interesting for practitioners.

Evidently, the Internet has removed numerous physical and psychological constraints for potentially immobile and anxious elderly consumers, reflected in a recent report in which Internet activities were the most cited favourite hobby amongst British consumers over 60 (AXA, 2008). In particular, latest market research on silver surfers in the UK reveals that over the past five years, internet penetration among over-65 year-olds has doubled (Intel, 2010a), which is in line with a steady increase in trust regarding Internet purchases and involvement in social online networking activities (Intel, 2010b). More importantly, the general trends of these findings seem to be similar for European- as well as US-consumers (AXA, 2008; Eurostat, 2010; Jaeger, 2009).

In relation, the consumer behaviour literature on silver surfers has been rather scarce due to difficulties of access, small sample sizes and prevailing age-stereotypes (Cole et al., 2008; Sudbury & Simcock, 2009). With regards to psychological influences, Reisenwitz et al. (2007) highlighted the influence of nostalgia proneness, risk aversion and innovativeness of silver surfers on internet use, frequency, online purchases, experience, comfort level with the internet, and satisfaction with the internet. In relation, Trocchia and Janda (2000) indicate six categories which determine whether senior consumers use the Internet: Reference group affiliation, Technology schema, Resistance to change, Nature of social relations, Perception of reality, and Physical barriers

The current study represents the first academic research on silver surfers' negative online opinion diffusion which may be a crucial addition to the scarce information available to marketers.

3. Research Hypotheses

Various scholars (e.g. Slama, D'Onofrio, & Celuch, 1993) have proposed that *Opinion-leadership positively affects ne-WOM propensity (H1)*. Although these studies were

conducted in an offline context, the lowered physical and psychological barriers of online environments are expected to strengthen the suggested relationship.

In relation, the adequacy of personality traits to predict consumption-related behaviour has long been established (Harris & Mowen, 2001). Accordingly, this study uses three central traits as constructs of analysis: Altruism, Self-confidence and Need for uniqueness.

Altruism is suggested to positively affect Epinion-leadership (H2) as promoted in recent academic online research (Ho & Dempsey, 2009). Market research by the Keller Fay Group (2007) additionally found a majority of 90% of online reviewers indicating altruistic motives (helping others in purchasing decisions) as core reason for e-WOM.

Likewise, *Altruism is hypothesised to positively affect ne-WOM propensity (H3)*. Since Chelminski and Coulter (2011) confirmed this relationship in an offline context only, an online verification of their proposed rationale – ne-WOM as altruistic desire ‘to warn others’ - seems appropriate.

The second personality factor under investigation is *Self-confidence which is predicted to positively affect Epinion-leadership (H4)*. The suggested relationship direction is based on an offline study by Chelminski and Coulter (2007) who emphasise opinion-leaders comfort and confidence in sharing information.

In terms of negative information sharing, it is proposed here that *Self-confidence positively affects ne-WOM propensity (H5)*, as emotionally-dominated nWOM seems triggered by a high negative emotional involvement after dissatisfying purchases and a related enhanced confidence in one’s subjective emotional perceptions (Alicke et al., 1992).

The third personality trait, *Need for uniqueness, is put forward to positively affect Epinion-leadership (H6)*. Clark and Goldsmith (2005) illustrated this relationship by promoting consumers to differentiate themselves from the crowd in form of giving distinct opinions.

To the authors’ best knowledge there has not been an empirical verification for the hypothesis that *Need for uniqueness positively affects ne-WOM (H7)*. However, Ryu and Han (2009) have shown that consumers may provide negatively-valenced WOM simply to differentiate themselves from others by providing an incongruent opinion.

With regards to the examined outcomes of ne-WOM, it is hypothesised that *Consumer’s ne-WOM propensity is positively related to e-complaint propensity (H8)*. Quite a few studies have empirically established that customers engage in nWOM as supplementary behaviour to complaining (e.g. Voorhees et al., 2006), yet others propose that an adequate complaint management can prevent complainers from spreading nWOM (e.g. Richins, 1983). Consequently, a reinvestigation seems feasible.

Finally, it is suggested that *Ne-WOM propensity negatively affects overall customer satisfaction (H9)*. Nyer and Gopinath (2005) empirically verify that venting-induced nWOM does not reduce dissatisfaction and propose that nWOM epitomises a publicly stated commitment to dissatisfaction which consumers adhere to in order to convey a consistent image within their social circles.

4. Research Method

The unit of analysis in this study were silver surfers. The present research is based on an online survey which was conducted in cooperation with a leading clothing manufacturer and retailer in the 50+ market in the UK. After the exclusion of 128 respondents due to age-restrictions, a total sample of 2,393 silver surfers were generated and used for the subsequent analysis. Table 1 shows the related age distribution.

Age	Frequency	%
51-55	388	16,2
56-60	370	15,4
61-65	622	26,0
66-70	480	20,1
71-75	295	12,3
76-80	135	5,6
over 80	103	4,3

Table 1. Sample age distribution

Questionnaire items were based on previously verified measures and anchored by five-point Likert-scales (1= “strongly disagree” and 5= “strongly agree”). Self-confidence was measured using a three-item scale developed by Gabriel, Renaud and Tippin (2007), Need for uniqueness was adopted from Lynn and Harris' (1997) 4-item scale and the four items to measure Altruism were adapted from Price, Feick and Guskey (1995). The four scale-items to assess Epinion-leadership were adapted from Flynn, Goldsmith and Eastman (1996), whilst the ne-WOM propensity scale consisted of 3 items adapted from Grégoire and Fisher (2006) and Blodgett and Jeffrey (1993). Finally, E-complaint propensity was based on three items from Bodey and Grace (2007) and Customers' overall satisfaction was operationalised through a three-item scale developed by Homburg and Fürst (2005). Questionnaire items did not specifically refer to the clothing industry in order to allow for a wider application of results to different industry paradigms.

5. Analysis and Results

Data analysis was conducted using Mplus 6.11 and the two-stage structural equation modelling approach by Anderson and Gerbing (1988) which has already proven its feasibility in similar, survey-based WOM- and e-consumer studies (Okazaki, 2008; Silva & Alwi, 2006). A confirmatory factor analysis based on the procedure outlined by Brown (2006, p. 145) was performed. Since data was found to be multivariate non-normal, the robust MLM-estimator (Satorra & Bentler, 1994) was utilised throughout the analysis. To start with, the S-B χ^2 of 346.758 (df= 209) was significant ($p < 0.001$) as is typical for large sample studies (Bentler & Bonett, 1980). A CFI of 0.99, a TLI of 0.99, a SRMR of 0.019 and a RMSEA of 0.017 (90% CI= 0.013 - 0.020) all indicated that the measurement model provided an adequate fit (Hu & Bentler, 1999). Furthermore, all factor loadings were large and significant with r^2 ranging from 0.43 to 0.87. Convergent validity was given since all loadings exceeded 0.60 with t -values from 16.17 to 38.27 at $p < 0.001$ (Anderson & Gerbing, 1988). Moreover, all factor correlations were below 0.85, hence suggesting discriminant validity (Brown, 2006).

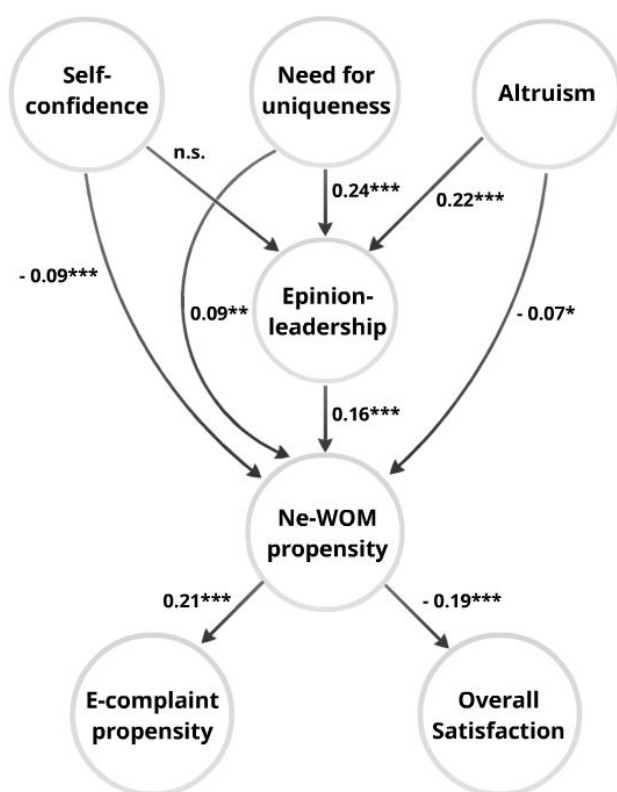


Figure 1: Model results

Structural Equation Modelling was used to test the hypothesised relationships. Global fit indices of the full structural model revealed a good fit with a S-B χ^2 of 533.667 (df= 217, $p < 0.001$), a CFI of 0.98, a TLI of 0.98, a RMSEA of 0.025 (90% CI= 0.022 - 0.027) and a SRMR of 0.05. As can be seen in Figure 1, all but three hypothesised relationships proposed by the structural model were supported. Whereas both Altruism ($\beta = -0.22$; $p < 0.001$) and Need for uniqueness ($\beta = 0.24$; $p < 0.001$) positively influenced Epinion-leadership, Self-confidence surprisingly did not indicate a significant relationship. In comparison, Need for uniqueness ($\beta = 0.09$; $p < 0.01$) confirmed the suggested path direction, yet Altruism ($\beta = -0.07$; $p < 0.05$) and

Self-confidence ($\beta = -0.09$; $p < 0.001$) revealed a significant negative effect on Ne-WOM, unlike predicted.

Crucially, results supported the hypothesis that Opinion-leadership enhances Ne-WOM ($\beta = 0.16$; $p < 0.001$). In addition, both communication outcomes behaved as was proposed. Thus, Ne-WOM propensity is negatively related to Satisfaction ($\beta = -0.19$; $p < 0.001$) and positively related to E-complaint propensity ($\beta = 0.21$; $p < 0.001$).

6. Discussion and Conclusions

Most importantly, this research is the first to empirically verify that Opinion-leadership enhances consumers' propensity to spread ne-WOM. Given the increasing credibility and interconnectedness of e-WOM communication (Burton & Khammash, 2010), the present result confirms the importance for contemporary e-businesses to identify and effectively target their actual and potential negative Opinion-leaders.

The adequate management of ne-WOM gains even more weight when taking into account its complementary relationship to consumers' e-complaint propensity and its negative effect on overall customer satisfaction. Essentially, these relationships emphasise that distinct corporate communication strategies are needed to address the differing needs which consumers implicitly impart by engaging in both forms of coping behaviours. Additionally, results clearly demonstrate that managers need to find a communicative path that allows ne-WOM-spreading consumers to abandon their publicly stated dissatisfaction in a self-esteem preserving manner (Kowalski, 1996).

Moreover, central personality traits can function as the basis for corporate responses to negative consumer communication. For example, the present research found consumers' need for uniqueness to enhance both Opinion-leadership and ne-WOM. Hence, by appealing to Opinion-leader's desire to be different, companies can actively encourage opinions that are different to prevailing ne-WOM and therefore stop sales-impeding negative opinion-cascades (Ryu & Han, 2009). Managers should equally encourage Opinion-leaders' involvement by appealing to the desire to help others in their consumption decisions since altruism positively influences Opinion-leadership. However, opposite to offline consumption paradigms, it seems that altruistic e-consumers are less likely to spread ne-WOM.

A decisive deviation from current theory was found for self-confidence, which did not prove to be a significant precondition for Opinion-leadership and unexpectedly demonstrated a negative impact on ne-WOM propensity. A plausible explanation for these findings may be that consumers with a low self-view confidence spread ne-WOM to enhance self-image and impression management needs (Chung & Darke, 2006), especially when taking into account the lowered psychological barriers in online environments.

To sum up, findings confirm the proposed concept of negative Opinion-leaders as key disseminators of ne-WOM and underline the importance of distinct negative opinion-management strategies as ne-WOM appears to complement rather than substitute e-complaints and significantly lowers overall satisfaction. In addition, personality characteristics were found to notably influence online opinion diffusion and hence seem applicable means to inform tailored targeting strategies for 50+ silver surfers.

Since the gathered empirical data was drawn from measurement items that are applicable to any industry context, it is proposed that findings will be applicable to silver surfers across a wide range of consumption paradigms.

References

- Alicke, M. D., Braun, J. C., Glor, J. E., Klotz, M. L., Magee, J., Sederhoim, H., & Siegel, R. (1992). Complaining behavior in social interaction. *Personality and Social Psychology Bulletin*, 18, 286-295. doi: 10.1177/0146167292183004
- Anderson, J. C., & Gerbing, D. W. (1988). Structural equation modeling in practice: A review and recommended two-step approach. *Psychological Bulletin*, 103, 411-423. doi: 10.1037//0033-2909.103.3.411
- Bentler, P. M., & Bonett, D. G. (1980). Significance tests and goodness of fit in the analysis of covariance structures. *Psychological Bulletin*, 88, 588-606. doi: 10.1037/0033-2909.88.3.588
- Blodgett, J. G., & Jeffrey, G. (1993). The effects of perceived justice on complainants' negative word-of-mouth behavior and repatronage intentions. *Journal of Retailing*, 69, 399-428.
- Bodey, K., & Grace, D. (2007). Contrasting "complainers" with "non-complainers" on attitude toward complaining, propensity to complain, and key personality characteristics: A nomological look. *Psychology and Marketing*, 24, 579-594. doi: 10.1002/mar
- Breitsohl, J., Khammash, M., & Griffiths, G. (2010). E-business complaint management: perceptions and perspectives of online credibility. *Journal of Enterprise Information Management*, 23, 653-660. doi: 10.1108/17410391011083083
- Brown, T. A. (2006). *Confirmatory factor analysis for applied research*. The Guilford Press.
- Burton, J., & Khammash, M. (2010). Why do people read reviews posted on consumer-opinion portals? *Journal of Marketing Management*, 26, 230-255. doi: 10.1080/02672570903566268
- Chelminski, P., & Coulter, R. A. (2007). On market mavens and consumer self-confidence: A cross-cultural study. *Psychology and Marketing*, 24, 69-91. doi: 10.1002/mar
- Chelminski, P., & Coulter, R. A. (2011). An examination of consumer advocacy and complaining behavior in the context of service failure. *Journal of Services Marketing*, 25(5), 361-370. doi: 10.1108/08876041111149711
- Chung, C. M. Y., & Darke, P. R. (2006). The consumer as advocate: Self-relevance, culture, and word-of-mouth. *Marketing Letters*, 17, 269-279. doi: 10.1007/s11002-006-8426-7
- Clark, R. A., & Goldsmith, R. E. (2005). Market mavens: Psychological influences. *Psychology and Marketing*, 22, 289-312. doi: 10.1002/mar.20060
- Cole, C., Laurent, G., Drolet, A., Ebert, J., Gutches, A., Lambert-Pandraud, R., Mullet, E., Norton, M.I., Peters, E. (2008). Decision making and brand choice by older consumers. *Marketing Letters*, 19, 355-365. doi: 10.1007/s11002-008-9058-x
- Eurostat. (2010). *Internet usage in 2010 – Households and Individuals*. Retrieved from Eurostat website: http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-QA-10-050/EN/KS-QA-10-050-EN.PDF
- Flynn, L., Goldsmith, R. E., & Eastman, J. K. (1996). Opinion Leaders and opinion seekers: Two new measurement scales. *Journal of the Academy of Marketing Science*, 24, 137-147. doi: 10.1177/0092070396242004
- Gabriel, S., Renaud, J., & Tippin, B. (2007). When I think of you, I feel more confident about me: The relational self and self-confidence. *Journal of Experimental Social Psychology*, 43, 772-779. doi: 10.1016/j.jesp.2006.07.004
- Grégoire, Y., & Fisher, R. J. (2006). The effects of relationship quality on customer retaliation. *Marketing Letters*, 17, 31-46. doi: 10.1007/s11002-006-3796-4

- Harris, E. G., & Mowen, J. C. (2001). The influence of cardinal-, central-, and surface-level personality traits on consumers' bargaining and complaint intentions. *Psychology and Marketing*, 18, 1155–1185. doi: 10.1002/mar.1048
- Herr, P. M., Kardes, F. R., & Kim, J. (1991). Effects of word-of-mouth and product-attribute information on persuasion: An accessibility-diagnostics perspective. *Journal of Consumer Research*, 17, 454–462.
- Hinz, O., Skiera, B., Barrot, C., & Becker, J. U. (2011). Seeding strategies for viral marketing: An empirical comparison. *Journal of Marketing*, 75(11), 55–71.
- Ho, J. Y. C., & Dempsey, M. (2009). Viral marketing: Motivations to forward online content. *Journal of Business Research*, 63, 1000–1006. doi: 10.1016/j.jbusres.2008.08.010
- Homburg, C., & Fürst, A. (2005). How organizational complaint handling drives customer loyalty: An analysis of the mechanistic and the organic approach. *Journal of Marketing*, 69, 95–114. doi: 10.1509/jmkg.69.3.95.66367
- Hu, L., & Bentler, P. M. (1999). Cutoff criteria for fit indexes in covariance structure analysis: Conventional criteria versus new alternatives. *Structural Equation Modeling: A Multidisciplinary Journal*, 6, 1–55. doi:10.1080/10705519909540118
- Jaeger, P. T. (2009). Developing online community accessibility guidelines for persons with disabilities and older adults. *Journal of the American Society for Information Science*, 20, 55–63.
- Keller Fay Group (2007). Online reviewers driven mostly by altruism, CMOs need not fear WOM. Retrieved from: <http://www.kellerfay.com/news-events/online-reviewers-driven-mostly-by-altruism-cmos-need-not-fear-wom/>
- Kowalski, R. M. (1996). Complaints and complaining: functions, antecedents, and consequences. *Psychological bulletin*, 119, 179–96. doi: 10.1037/0033-2909.119.2.179
- Kozinets, R., de Valck, K., Wojnicki, A. C., & Wilner, S. J. S. (2010). Networked narratives: Understanding word-of-mouth marketing in online communities. *Journal of Marketing*, 74(2), 71–89. doi: 10.1509/jmkg.74.2.71
- Leonard-Barton, D. (1985). Experts as negative opinion leaders in the diffusion of a technological innovation. *Journal of Consumer Research*, 11, 914. doi: 10.1086/209026
- Lynn, M., & Harris, J. (1997). Individual differences in the pursuit of self-uniqueness through consumption. *Journal of Applied Social Psychology*, 27, 1861–1883. doi: 10.1111/j.1559-1816.1997.tb01629.x
- Matos, C. A. D., & Rossi, C. A. V. (2008). Word-of-mouth communications in marketing: A meta-analytic review of the antecedents and moderators. *Journal of the Academy of Marketing Science*, 36(4), 578–596. doi: 10.1007/s11747-008-0121-1
- Mintel. (2010a), *Media consumption amongst over-55s - UK - August 2010*, London: Mintel.
- Mintel. (2010b), *Old vs Young on the Net - UK - May 2010*, London: Mintel.
- Nyer, P., & Gopinath, M. (2005). Effects of complaining versus negative word of mouth on subsequent changes in satisfaction: The role of public commitment. *Psychology and Marketing*, 22, 937–953. doi: 10.1002/mar.20092
- Okazaki, S. (2008). Determinant factors of mobile-based word-of-mouth campaign referral among Japanese adolescents. *Psychology and Marketing*, 25, 714–731. doi: 10.1002/mar
- Price, L. L., Feick, L. F., & Guskey, A. (1995). Everyday market helping behavior. *Journal of Public Policy & Marketing*, 14, 255–266.
- Reisenwitz, T., Iyer, R., Kuhlmeier, D. B., & Eastman, J. K. (2007). The elderly's internet usage: an updated look. *Journal of Consumer Marketing*, 24, 406–418. doi: 10.1108/07363760710834825
- Richins, M. L. (1983). Negative word-of-mouth by dissatisfied consumers: A pilot study. *The Journal of Marketing*, 47(1), 68–78.

- Ryu, G., & Han, J. K. (2009). Word-of-mouth transmission in settings with multiple opinions: The impact of other opinions on WOM likelihood and valence. *Journal of Consumer Psychology, 19*, 403-415. doi: 10.1016/j.jcps.2009.04.003
- Satorra, A., & Bentler, P.M. (1994). Corrections to test statistics and standard errors in covariance structure analysis. In A. Eye & C. C. Clogg (Eds.), *Latent variables analysis: Applications for developmental research* (pp. 399-419). Thousand Oaks, CA: Sage Publications Inc.
- Silva, R. V. D., & Alwi, S. F. S. (2006). Cognitive, affective attributes and conative, behavioural responses in retail corporate branding. *Journal of Product & Brand Management, 15*, 293-305. doi: 10.1108/10610420610685703
- Slama, M., D'Onofrio, M., & Celuch, K. (1993). Consumer complaint behaviors of market mavens. *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior, 6*, 176-81.
- Sudbury, L., & Simcock, P. (2009). Understanding older consumers through cognitive age and the list of values: A UK-based perspective. *Psychology and Marketing, 26*, 22-38. doi: 10.1002/mar
- Trocchia, P. J., & Janda, S. (2000). A phenomenological investigation of Internet usage among older individuals. *Journal of Consumer Marketing, 17*, 605-616. doi: 10.1108/07363760010357804
- Voorhees, C. M., Brady, M. K., & Horowitz, D. (2006). A voice from the silent masses: an exploratory and comparative analysis of non-complainers. *Journal of the Academy of Marketing Science, 34*, 514-527. doi:10.1177/0092070306288762
- Vuori, S., & Holmlund-Rytkönen, M. (2005). 55+ people as internet users. *Marketing Intelligence & Planning, 23*, 58-76. doi: 10.1108/02634500510577474
- Ward, J. C., & Ostrom, A. L. (2006). Complaining to the masses: the role of protest framing in customer-created complaint websites. *Journal of Consumer Research, 33*, 220-230. doi: 10.1086/506303
- Wetzer, I. M., Zeelenberg, M., & Pieters, R. (2007). "Never eat in that restaurant, I did!": Exploring why people engage in negative word-of-mouth communication. *Psychology and Marketing, 24*, 661-680. doi: 10.1002/mar